

## **UPDATED INFORMATIVE DIGEST**

Assembly Bill (AB) X4 4 (Chapter 4, Statutes of the Fourth Extraordinary Session of 2009) amends the California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work Program. The CalWORKs Welfare-to-Work Program is the employment and training component of CalWORKs, California's version of the federal Temporary Assistance for Needy Families (TANF) Program.

Federal welfare reform enacted the TANF program through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996, limiting cash aid to a family with an adult to a total of five years. The intent of the Welfare-to-Work program is to provide employment and training services to the maximum possible number of the adult CalWORKs population to aid them in achieving economic self-sufficiency within this time frame.

The passage of the Budget Act of 2009 as well as AB X4 4 impacted the CalWORKs program significantly. The Budget Act included an approximate reduction of \$376 million to the CalWORKs single allocation in the 2009-10 budget year, and AB X4 4 enacted statutory changes which affect funding and exemptions in the CalWORKs program. This reduction, along with the overall increasing caseload for CalWORKs, will likely result in insufficient funding to provide the full range of Welfare-to-Work services to all current and new CalWORKs clients in the 2009-2010 and 2010-2011 fiscal years. In crafting AB X4 4, the intended goals of the Legislature were to allow for more effective utilization of limited resources for CalWORKs services, provide counties additional flexibility to address funding constraints, minimize disruption of Welfare-to-Work services for those clients already participating, and prioritize exemptions and good cause for new applicants.

In order to achieve these goals, these regulations establish two new, temporary CalWORKs exemptions. The new exemptions apply to clients who are caring for young children and to clients who may be granted good cause from Welfare-to-Work participation due to a lack of supportive services. Clients who receive the exemption for young children will not be required to participate in Welfare-to-Work activities and will have their CalWORKs 60-month time clock stopped until they no longer meet these criteria, or until July 1, 2011, whichever comes first. Clients who receive the exemption because they were granted good cause from Welfare-to-Work participation due to a lack of supportive services will also have their CalWORKs 60-month time clock stopped until they no longer meet these criteria, or until July 1, 2011, whichever comes first.

These regulations were considered at the public hearing held on August 11, 2010 in Sacramento, California. Public comment was received as a result of the public hearing and the following changes have been made:

Section 42-302.21(b)(3) and (k) are being further amended to include the effective date of the new exemptions, July 28, 2009.

Section 42-712.474 and Section 42-712.64 are being further amended to include the effective date of the new exemptions, July 28, 2009.

To allow the public an opportunity to review the amended emergency regulations, a 15-day renote was provided from September 23, 2010 to October 8, 2010, showing the amendments to Section 42-302.21(b)(3), Section 42-302.21(k), and Section 42-712.474. An inadvertent error was made to Section 42-302(k) and was further amended to include the effective date of the new exemption, July 28, 2009 as amended in Section 42-302.21(b)(3).